

Management Improvement and Operating (MIO) Plan Part II.  
Project Improvement Program  
**Section B. Management Objectives**

**U.S. Department of Housing and Urban Development**  
Office of Housing Federal Housing Commissioner

OMB Approval No. 2502-0395 (exp. 12/31/2005)

|                |                  |                 |               |        |
|----------------|------------------|-----------------|---------------|--------|
| Project Name : | Project Number : | Original Date : | Revision No.: | Date : |
|                |                  |                 |               |        |

[illegible]

Public Reporting Burden for this collection of information is estimated to be 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

The collection of this information is necessary for the Department to determine which projects will best benefit from flexible subsidy loans in order to improve financial soundness, improve management and maintain affordability. In addition, this information provides the Department with a means to account for, on a project specific basis, the use of flexible subsidy dollars and the progress being made by each project toward its physical,financial and management improvement goals. The Department will use this information from this collection to determine if a project will benefit from flexible subsidy loans. This information is authorized under Section 201 of the Housing and Community Development Amendments of 1978 and 24 CFR Part 219. This information is considered non-sensitive and no assurance of confidentiality is provided.

## Instructions for Part II of Management Improvement Operating (MIO) Plan

Part II of the MIO Plan has been designed to: (1) formalize HUD and the Owner's agreement as to what actions will be undertaken to restore or maintain the financial and physical soundness of the project; (2) facilitate Owner's Requisition for Advance of Funds; and (3) monitor Housing Owner's progress in implementing the required improvements. Part II of the MIO consists of three sections:

- Section A. Action Items, form HUD-9835
- Section B. Management Objectives, form HUD-9835-A
- Section C. Sources and Uses of Funds, form HUD-9835-B

The Plan should provide actions to eliminate any operational or physical deficiencies noted on HUD's comprehensive management reviews, occupancy reviews, physical inspections or HUD's review of monthly or annual accounting reports. The Housing Owner should submit an original and one copy to HUD and retain a copy. **A sample MIO Plan is shown in Appendix 8 of the Flexible Subsidy Handbook, 4355.1.**

**Headings.** Enter dates of HUD reviews/reports on which the need for these work items was discussed. Number pages sequentially through Sections A, B and C. Original date is the date HUD approves the Owner's submission; revision dates are dates HUD approves a revision to Part II of the MIO Plan. If an action item is related to a deficiency noted on a HUD review, indicate the type of review and finding or item number. Use the following codes:

M = Management    P = Physical    O = Occupancy    F = Financial  
Review                    Inspection                    Review                    Review

### Operating Assistance Program

#### Section B. Management Objectives (form HUD-9835-A)

1. Number management objectives consecutively (1, 2, 3, 4 etc.). List: a) all management initiatives which will be implemented to improve financial and management and control systems and to correct operational deficiencies (M and F items) noted on HUD reviews or in Owner's assessment of project operations. Example: Implement new purchase order system by 9/1/79; b) List operating goals on which income and expense items on Budget worksheet and relief plan on Project Analysis Worksheet (Parts H and I) are based. Example: Reduce vacancies.
2. Establish quantitative quarterly milestones for operating goals and target dates for completing implementation of management initiatives.
3. **Before attaching this to the Quarterly Performance Report (form HUD-9824-A), enter (a) in bottom half of slashed box, the amount of any quantitative milestone reached to date; and (b) the date any objective was achieved.**

### Capital Improvement Loan Program

#### Section B. Management Objectives (form HUD-9835-A)

Where the Department determines that it is not necessary to prepare a MIO Plan, HUD-9835A will be omitted. However, where applicants are required to complete a MIO Plan, HUD-9835A will be completed in its entirety.